

OFFICIAL STATEMENT

EVERGREEN SCHOOL DISTRICT
SANTA CLARA COUNTY, CALIFORNIA

\$680,000 PRINCIPAL AMOUNT

1972 School Bonds, Series E
(General Obligations)INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

MAR 14 1977

UNIVERSITY OF CALIFORNIA

Bids to be received at the Office of the Clerk of the Board of Supervisors of Santa Clara County, County Government Center, East Wing, Tenth Floor, 70 West Hedding Street, San Jose, California 95110 at 10:00 A.M. Tuesday, March 29, 1977.

[Stone & Youngberg, municipal financing consultants]
San Jose -- Economic conditions
School bonds -- California -- San Jose

OFFICIAL NOTICE OF SALE
OF SCHOOL DISTRICT BONDS

NOTICE IS HEREBY GIVEN that sealed proposals will be received by the BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, at the OFFICE OF THE CLERK OF SAID BOARD OF SUPERVISORS in the COUNTY GOVERNMENT CENTER, EAST WING, 10TH FLOOR, 70 WEST HEDDING STREET, CITY OF SAN JOSE IN SAID COUNTY, CALIFORNIA, on

TUESDAY, the 29th day of March, 1977, at the hour of 10:00 o'clock A.M. for the purchase of bonds of EVERGREEN SCHOOL DISTRICT OF SANTA CLARA COUNTY, STATE OF CALIFORNIA, more particularly described below:

ISSUE AND DENOMINATION: \$680,000 1972 School Bonds, Series E, consisting of 136 bonds of the denomination of \$5,000 each, numbered E-1 to E-136, inclusive. Said bonds are part of an authorized issue in the aggregate principal amount of \$6,000,000, of which \$530,000 designated Series A have heretofore been issued and \$410,000 are now outstanding; \$530,000 designated Series B have heretofore been issued and \$440,000 are now outstanding; \$855,000 designated Series C have heretofore been issued and \$765,000 are now outstanding; \$980,000 designated Series D have heretofore been issued and \$960,000 are now outstanding. The remaining \$2,425,000 principal amount of said authorized issue may be sold when and as determined by said Board of Supervisors, but it is anticipated will not be offered for sale prior to July 29, 1977.

DATE: All of said bonds are dated April 1, 1977.

INTEREST RATE: Maximum seven (7) per cent per annum, payable annually for the first year on April 1, 1978, and semiannually thereafter on April 1 and October 1 in each year. Bidders must specify the rate of interest which the bonds hereby offered for sale shall bear. Bidders may specify any number of separate interest rates, irrespective of the maturities of the bonds, and the same rate or rates may be repeated as often as desired, provided that (i) each interest rate specified must be in a multiple of 1/8 or 1/20 of one per cent and a zero rate cannot be specified; (ii) no bond shall bear more than one rate of interest; (iii) no interest payment shall be evidenced by more than one coupon and supplemental coupons will not be permitted; (iv) each bond shall bear interest from its date to its stated maturity date at the interest specified in the bid; (v) all bonds of the same maturity shall bear the same rate of interest; (vi) the difference between the highest and lowest coupon rates specified in any bid shall not exceed two per cent (2%); (vii) for the period of maturities commencing on April 1, 1993 and terminating on April 1, 1997, the interest rate specified for the bonds of any maturity year in such period of maturities shall not be less than the interest rate for the bonds of any prior maturity year in such period of maturities; and (viii) any premium must be paid in bank funds immediately available in San Jose, California as part of the purchase price, and no bid will be accepted which provides for the cancellation and surrender of any interest coupons or for the waiver of interest or other concession by the bidder as a substitute for payment in full of the purchase price in bank funds immediately available to the County Treasurer of Santa Clara County in San Jose, California. Bids which do not conform to the terms of this paragraph will be rejected.

MATURITIES: Said bonds mature serially in consecutive numerical order from lower to higher as follows:

Principal Amount	Maturity Dates April 1 (All Years Inclusive)
\$15,000	1978
\$20,000	1979 to 1982
\$25,000	1983 to 1985
\$30,000	1986 and 1987
\$35,000	1988 to 1990
\$40,000	1991
\$45,000	1992 and 1993
\$50,000	1994 and 1995
\$55,000	1996
\$60,000	1997

REDEMPTION: Bonds maturing by their terms on or before April 1, 1992 are not subject to redemption prior to their respective stated maturities. Bonds maturing by their terms on or after April 1, 1993 are subject to redemption prior to their respective stated maturities, at the option of the Governing Board of said District, as a whole, or in part in inverse order of maturities (and by lot within each maturity), on any interest payment date on or after April 1, 1988, upon payment of the principal amount thereof and interest accrued thereon to the date fixed for redemption, plus a premium of one-quarter of one per cent (1/4 of 1%) of such principal amount for each year or fraction thereof, if any, remaining between the date fixed for redemption and the fixed maturity date of the bonds called for redemption.

PAYMENT: Both principal and interest payable in lawful money of the United States, at the option of the holder, at the principal office of Bank of America National Trust and Savings Association in San Francisco, California, or at the principal office of Citibank, N.A., in New York, or at Harris Trust and Savings Bank in Chicago, Illinois.

EXECUTION AND REGISTRATION: Coupon bonds will be issued by said Board of Supervisors on behalf of said District. Said bonds will be executed by the manual signature of at least one official authorized to execute the bonds. Said bonds are registrable only as to both principal and interest. After being registered a bond may be transferred only by registration in the name of the new owner. Registered bonds are not convertible into coupon bonds.

PURPOSE OF ISSUE: Said bonds were authorized by more than two-thirds of the voters voting at an election held in said District on September 19, 1972 and will be issued and sold for the purpose of raising money for authorized school purposes.

SECURITY: The bonds are general obligations of said District, and said Board of Supervisors has power and is obligated to levy ad valorem taxes for the payment of said bonds and the interest thereon upon all property within said District subject to taxation by said District (except certain personal property, which is taxable at limited rates), without limitation of rate or amount.

TAX EXEMPT STATUS: In the event that prior to the delivery of the bonds (a) the income received by any private holder from bonds of the same type and character shall be declared to be tax-

ble (either at the time of such declaration or at any future date) under any Federal income tax laws, either by the terms of such laws or by ruling of a Federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any Federal Court, or (b) any Federal income tax law is adopted which will have a substantial adverse tax effect on holders of the bonds as such, the successful bidder may, at his option, prior to the tender of the bonds by the Board of Supervisors be relieved of his obligation under the contract to purchase the bonds and in such case the deposit accompanying his bid will be returned.

LEGAL OPINION: The legal opinion of the following firm approving the validity of said bonds will be furnished to the successful bidder without charge: Orrick, Herrington, Rowley & Sutcliffe, Attorneys at Law, 600 Montgomery Street, San Francisco, California. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

TERMS OF SALE

HIGHEST BIDDER: The bonds will be awarded to the highest responsible bidder or bidders considering the interest rate or rates specified and the premium offered, if any. The highest bid will be determined by deducting the amount of the premium bid (if any) from the total amount of interest which the District would be required to pay from the date of said bonds to the respective maturity dates thereof at the coupon rate or rates specified in the bid and the award will be made on the basis of the lowest net interest cost to the District. The lowest net interest cost shall be computed on a 360-day year basis. The purchaser must pay accrued interest from the date of the bonds to the date of delivery. The cost of printing the bonds will be borne by the District.

BID OPENING: Bids will be opened by the BOARD OF SUPERVISORS at the CHAMBER of said BOARD OF SUPERVISORS located on the First Floor of the COUNTY GOVERNMENT CENTER, EAST WING, 70 WEST HEDDING STREET, SAN JOSE, CALIFORNIA 95110, at the hour of 10:05 o'clock A.M., or as soon thereafter as is practicable, on the day hereinabove prescribed for receipt of proposals.

RIGHT OF REJECTION: Said Board of Supervisors reserves the right in its discretion to reject any and all bids and to waive any irregularity or informality in any bid.

PROMPT AWARD: The Board of Supervisors will take action awarding the bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for receipt of proposals unless such time of award is waived by the successful bidder.

PROMPT DELIVERY: Delivery of said bonds will be made to the successful bidder as soon as the bonds can be prepared, which it is estimated will be within 30 days from the day of sale, but not prior to the date of the bonds. Delivery will be made at the office of the County Treasurer of said County, or, at the option of the successful bidder, at the office of any bank in San Francisco, California, that is a member of the Federal Reserve banking system, as specified in his bid. Payment of the purchase price of the bonds must be made in funds immediately available to the County Treasurer of Santa Clara County in San Jose, California.

RIGHT OF CANCELLATION: The successful bidder shall have the right, at his option, to cancel the contract of purchase if the bonds are not tendered for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying his bid.

FORM OF BID: Each bid must be for not less than all of the bonds hereby offered for sale and for not less than the par value thereof and accrued interest to the date of delivery. Each bid, together with bidder's check, must be enclosed in a sealed envelope addressed to the Board of Supervisors of Santa Clara County and endorsed "Proposal for 1972 School Bonds of Evergreen School District of Santa Clara County, Series E".

BID CHECK: With each bid must be submitted a certified check or cashier's check for \$10,000 drawn on a bank or trust company transacting business in the State of California, payable to the order of the County Treasurer, to secure said District from any loss resulting from the failure of the bidder to comply with the terms of his bid. In addition, bidders are requested (but not required) to supply an estimate of the total net interest cost to the District on the basis of their respective bids, which shall be considered as informative only and not binding on either the bidder or the District. Checks of the unsuccessful bidders will be returned by the Clerk by mail, upon the award of the bonds. No interest will be paid upon deposit made by the successful bidder.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on said bonds but neither the failure to print such numbers on any bond nor error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for said bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on said bonds shall be paid by the issuer; provided, however, that the fee of the CUSIP Service Bureau for the assignment of said numbers shall be the responsibility of and shall be paid for by said purchaser.

OFFICIAL STATEMENT: The District has prepared an Official Statement relating to the bonds, a copy of which will be furnished upon request to the District's financing consultants, Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111. Inquiries regarding financial information of said School District should be directed to Mr. Robert Lawrence, Director of Business Services, Evergreen School District, 3188 Quimby Road, San Jose, California 95121, or Stone & Youngberg Municipal Financing Consultants, Inc., financing consultant to the District.

There is no litigation pending concerning the validity of the above issue, the corporate existence of said District, or the title of the officers to their respective offices, and the Board of Supervisors will deliver to the successful bidder a no-litigation certificate certifying to the foregoing as of and at the time of the delivery of the bonds.

DATED: March 1, 1977

DONALD M. RAINS
Clerk of the Board of Supervisors
of Santa Clara County, State of
California
By GARY F. VOECKS
Assistant Clerk

STONE & YOUNGBERG

MUNICIPAL FINANCING CONSULTANTS, INC.

SUITE 2750 • ONE CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA 94111 • (415) 989-2300

1541 WILSHIRE BOULEVARD, LOS ANGELES, CALIFORNIA 90017 • (213) 483-1643

COPIES OF THE ENCLOSED OFFICIAL STATEMENT HAVE BEEN SENT TO INVESTMENT OFFICERS OF THE FOLLOWING INSTITUTIONS:

Acacia Mutual Life Insurance Company	Emmco Insurance Company
Aetna Life Insurance Company	Empire Mutual Insurance Company
Allendale Mutual Insurance Company	Employers Casualty Company
Allstate Insurance Company	Employers Group Associates
American Agricultural Mutual Insurance	Employers Mutual Liability Insurance Company of Wisconsin
American Employees Insurance Company	Employees Reinsurance Corporation
American Express Company	Equitable Life Assurance Society
American Family Insurance Group	Equitable Life Insurance Company of Iowa
American General Life Insurance Company	Farm Bureau Mutual Insurance Company
American Mutual Life Insurance Company	Farmers Insurance Group
American National Insurance Company	Farmers New World Life Insurance Company
American Re-Insurance Company	Fidelity & Deposit Insurance Company
American Republic Insurance Company	Fidelity Mutual Life Insurance Company
American States Insurance Company	Fidelity-Phoenix Insurance Company
Arkwright-Boston Manufacturers Mutual Insurance Company	First Catholic Slovak Union of the United States of America
Atlantic Mutual Insurance Company	Foremost Insurance Company
Automobile Club of Southern California	Franklin Life Insurance Company
Bankers Life & Casualty Company	General Accident Fire & Life Assurance Corporation, Ltd.
Bankers Life Company	General American Life Insurance Company
Bankers Life Insurance Company of Nebraska	General Insurance Company of America
Bankers National Life Insurance Company	General Reinsurance Corporation
Beneficial Life Insurance Company	Georgia International Life Insurance Company
Beneficial Standard Life Insurance Company	Government Employees Insurance Company
Boston Mutual Life Insurance Company	Great American Insurance Company
Business Men's Assurance Company of America	Great-West Life Assurance Company
Cal-Farm Insurance Company	Greater New York Mutual Insurance Company
California State Automobile Association	Guardian Life Insurance Company of America
California-Western States Life Insurance Company	Gulf Life Insurance Company
Cambridge Mutual Fire Insurance Company	John Hancock Mutual Life Insurance Company
Canada Life Assurance Company	The Hanover Group
Central Life Assurance Company	Hanover Insurance Company
Central National Insurance Company of Omaha	Hardward Mutual Casualty Company
Chicago Title & Trust Company	Hartford Accident & Indemnity Company
Chubb & Son, Inc.	Hartford Steam Boiler Inspection & Insurance Company
CNA Insurance Corporation	Highlands Insurance Company
Coastal State Life Insurance Company	Home Insurance Company
Colonial Penn Group	Homesteaders Life Company
Columbus Mutual Life Insurance Company	Imperial Life Assurance Company of Canada
Combined Insurance Company of America	Indiana Insurance Company
Connecticut General Life Insurance Company	Insurance Company of North America
Connecticut Mutual Life Insurance Company	Interstate Life & Accident Insurance Company
Continental Casualty Company	Jefferson Standard Life Insurance Company
Continental Insurance Company	Kansas City Life Insurance Company
Country Life Insurance Company	Kemper Insurance Group
Detroit Automobile Inter-Insurance Exchange	Keystone Insurance Company
Dodge & Cox	

(OVER)

Liberty Mutual Insurance Company
 Life Insurance Company of Georgia
 Life Insurance Company of Virginia
 Lincoln National Life Insurance Company
 Loomis, Sayles & Co., Inc.
 Lutheran Mutual Life Insurance Company
 Manhattan Life Insurance Company
 Metropolitan Life Insurance Company
 MFA Mutual Insurance Company
 MGIC Indemnity Corporation
 Minnesota Mutual Life Insurance Company
 Monarch Life Insurance Company
 Monumental Life Insurance Company
 Mortgage Guaranty Insurance Corporation
 Motors Insurance Corporation
 Mutual Benefit Life Insurance Company
 Mutual Life Insurance Company of New York
 Mutual of Omaha Insurance Company
 Mutual Service Casualty Insurance Company
 Mutual Trust Life Insurance Company
 National Automobile & Casualty Insurance Company
 National Farmers Union Life Insurance Company
 National Life & Accident Insurance Company
 National Life Insurance Company
 National Old Line Insurance Company
 Nationwide Life Insurance Company
 New England Mutual Life Insurance Company
 New York Life Insurance Company
 NN Corporation
 North American Life Assurance Company
 North Carolina Mutual Life Insurance Company
 The Northern Assurance Company of America
 Northwestern Mutual Insurance Company
 Northwestern Mutual Life Insurance Company
 Northwestern National Insurance Company
 Northwestern National Life Insurance Company
 Nuveen Bond Fund
 Occidental Life Insurance Company of California
 Ohio Life Insurance Company
 Ohio State Life Insurance Company
 Old American Insurance Company
 Pacific Mutual Life Insurance Company
 Pan American Life Insurance Company
 Peninsular Life Insurance Company
 Penn Mutual Life Insurance Company
 Pennsylvania National Mutual Insurance Company
 Peoples Life Insurance Company
 Philadelphia Investment Company
 Philadelphia Life Insurance Company
 Philadelphia Re-Insurance Company
 Phoenix Mutual Life Insurance Company
 Pilot Life Insurance Company
 Polish National Alliance of the U.S. of N.A.
 Preferred Risk Mutual Insurance Company
 Protective Life Insurance Company
 Provident Life & Accident Insurance Company
 Provident Mutual Life Insurance Company of Philadelphia
 Prudential Insurance Company of America

Reinsurance Corporation of New York
 Reliance Insurance Company
 Republic Insurance Company
 Reserve Insurance Company
 Reserve Life Insurance Company
 Rural Security Life Insurance Company
 Safeco Insurance Company of America
 St. Paul Fire & Marine Insurance Company
 Scudder, Stevens & Clark - New York
 Scudder, Stevens & Clark - Boston
 Security Benefit Life Insurance Company
 Security Life & Accident Company
 Security Mutual Casualty Company
 Sentry Group
 Society for Savings
 Southern Farm Bureau Casualty Insurance Company
 Southern Life & Health Insurance Company
 Southland Life Insurance Company
 Southwestern Life Insurance Company
 Standard Insurance Company
 State Automobile Mutual Insurance Company
 State Farm Mutual Automobile Insurance Company
 State Mutual Life Assurance Company of America
 Stuyvesant Life Insurance Company
 Sun Life Assurance Company of Canada
 Swett & Crawford
 Swiss Re-Insurance Company
 Tennessee Life Insurance Company
 Title Insurance & Trust Company
 Transamerica Insurance Company
 Transamerica Investment Counselors, Inc.
 Transamerica Title Insurance Company
 Transport Insurance Company
 Travelers Insurance Company
 Unigard Olympic Life Insurance Company
 Union Life Insurance Company
 United Benefit Life Insurance Company
 United Insurance Company of America
 United National Life Insurance Society
 United States Fidelity & Guaranty Company
 Utah Home Fire Insurance Company
 Volunteer State Life Insurance Company
 Washington National Insurance Company
 West Coast Life Insurance Company
 Western Fire Insurance Company
 Western & Southern Life Insurance Company
 Woodmen Accident & Life Company
 Woodmen of the World
 Woodmen of the World Life Insurance Society

EVERGREEN SCHOOL DISTRICT
Santa Clara County, California

BOARD OF TRUSTEES
Eleanore Yonts, President

Linda Evans, President Pro-Tem
James McEntee, Clerk

Carolyn Clark, Trustee
Tom Matsumoto, Trustee

DISTRICT ADMINISTRATION

James F. Smith, District Superintendent
Robert W. Lawrence, Assistant Superintendent, Business Services

SANTA CLARA COUNTY, CALIFORNIA
BOARD OF SUPERVISORS

Geraldine F. Steinberg, Chairperson

Dominic L. Cortese
Rodney J. Diridon

Dan McCorquodale
Sig Sanchez

SANTA CLARA COUNTY OFFICIALS

John A. Eastburg, Director of Finance
Carl Martin, County Treasurer

Robert T. Owens, Deputy County Counsel
John Kazubowski, County Clerk

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, San Francisco
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc., San Francisco
Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS MARCH 1, 1977

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INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

DEC 13 2024

UNIVERSITY OF CALIFORNIA

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$680,000 principal amount of the 1972 School Bonds, Series E, proposed to be issued by the Evergreen School District.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Evergreen School District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the 1972 School Bonds, Series E. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the Board of Trustees of the Evergreen School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Evergreen School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 100 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "The Bonds", excepting the material under the heading "Estimated Debt Service."

March 1, 1977

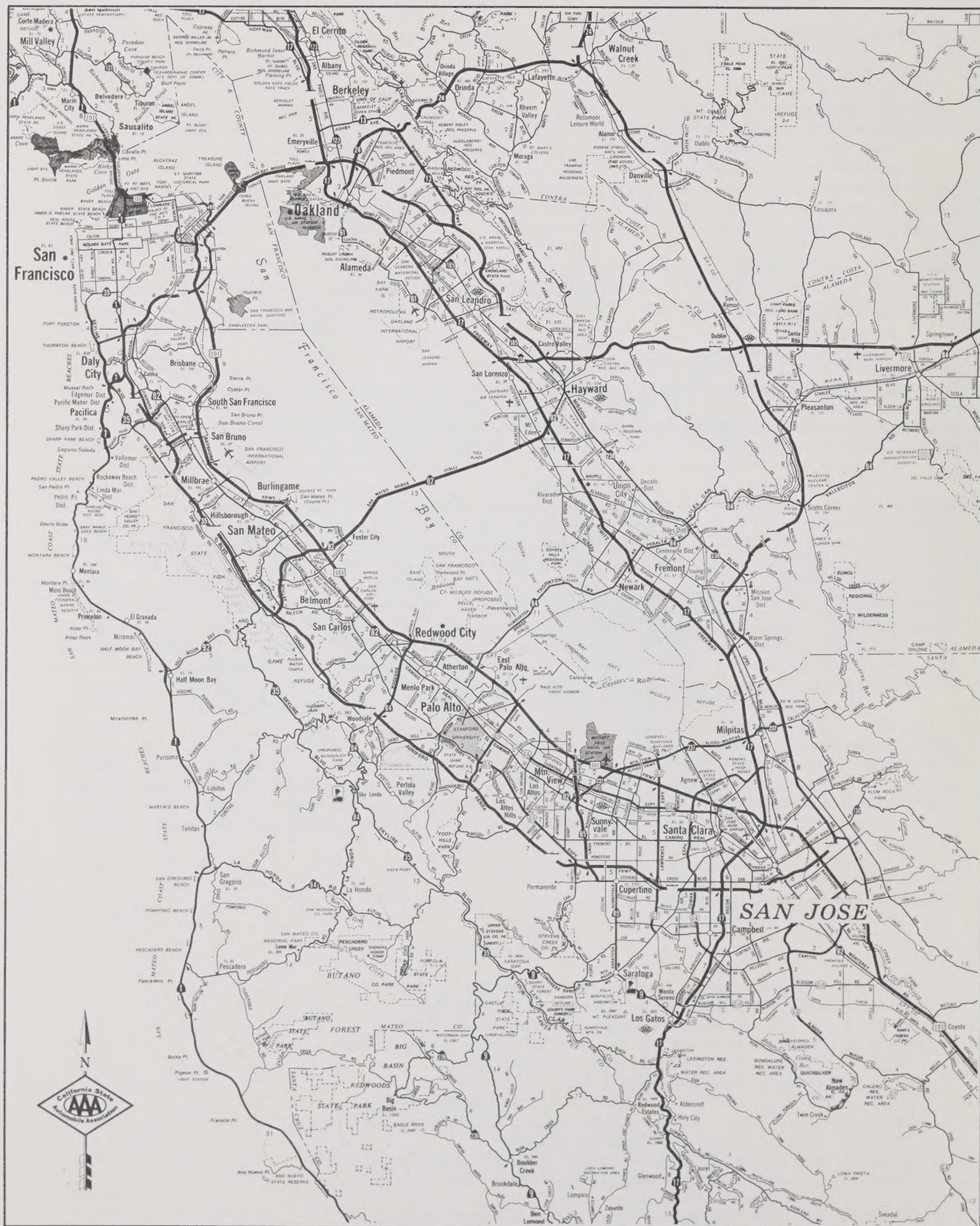
James F. Smith
Superintendent
EVERGREEN SCHOOL DISTRICT

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The Evergreen School District serves a 32 square-mile area in Southeastern San Jose.

INTRODUCTION

The \$680,000 principal amount of Evergreen School District 1972 School Bonds, Series E represents the fifth sale within a total authorization of \$6,000,000 approved by more than two-thirds of the voters voting at an election held in the District on September 19, 1972. After the sale of the proposed Series E general obligation bonds, \$2,425,000 of the original authorization will remain unsold. Proceeds from the sale of these Bonds will be used to provide needed additions and improvements to existing facilities and purchase an elementary school site.

The District, established in 1860, provides public educational services from kindergarten through the eighth grade to approximately 35,000 residents in a 32-square mile area in the southeastern portion of San Jose, Santa Clara County. Approximately 95 percent of the District's total acreage is located within the City of San Jose. Substantial residential and commercial development has occurred in the western part of the District during recent years. The eastern portion of the District remains largely agricultural, with livestock raising and grape cultivation the principal activities.

The 1.5 million square foot Eastridge regional shopping center, opened in 1971, lies within the District. This facility accounts for over 13 percent of the District's total assessed valuation and generates annual retail sales in excess of \$100 million. Also located within the District are: Evergreen Valley College, a unit of the San Jose Community College District; The Villages, a 1,210-acre planned residential community; and Mirassou Vineyards, a producer of premium wines.

The San Jose Metropolitan Area (Santa Clara County) is the center of a large and growing industrial and scientific complex and ranks among the leading metropolitan areas throughout the nation in virtually all measurements of urban development. Within the nine-county San Francisco Bay Area, Santa Clara County leads all other counties in population, manufacturing employment, total effective buying income, assessed value of taxable property, retail sales, number of telephones, residential construction, and public school enrollment. Although the county has many ties to the San Francisco-Oakland urban complex, it is rapidly developing a separate identity as a center for research, commerce and industry.

There are more than 1,800 manufacturing firms in Metropolitan San Jose. Manufacturing activities cover a wide range of products, from agricultural implements to sophisticated electronics equipment. Some of the nationally known firms which make up the general base of industry in Metropolitan San Jose are Ford Motor Company, Kaiser Cement & Gypsum Corp., Permanente, Owens-Corning Fiberglas Corp., and Kaiser Aluminum and Chemical Corporation. In fabricated metals, there are such firms as Continental Can Co., Inc., Pittsburgh-Des Moines Steel Co., Owens-Illinois and San Jose Steel Company.

Over the past five years, the District's assessed valuation increased approximately 60.4 percent and assessed valuations per unit of average daily attendance increased approximately 32.5 percent. Average daily attendance over the past five years has increased 20.7 percent, from 5,074 in 1972/73 to an estimated 6,125 in 1976/77. Upon delivery of the 1972 School Bonds, Series E currently being offered for sale, the District's direct debt will be \$5,439,000 or 4.96 percent of assessed valuation and 1.31 percent of estimated real value. Net direct and estimated overlapping debt will be 12.12 percent and 3.21 percent of assessed valuation and estimated real value respectively.

THE BONDS

AUTHORITY FOR ISSUANCE

The \$680,000 principal amount of Evergreen School District 1972 School Bonds, Series E, now being offered for sale are general obligations to be issued under provisions of Part 3, Division 16, Chapter 7 of the State of California Education Code, and pursuant to a resolution of the Board of Supervisors of Santa Clara County adopted on March 1, 1977.

The 1972 Series E School Bonds, in the principal amount of \$680,000, represents the fifth sale from an authorization of \$6,000,000 approved by District voters, September 19, 1972. Series A Bonds (\$530,000) were dated January 1, 1973; Series B Bonds (\$530,000) were dated January 1, 1974; Series C Bonds (\$855,000) were dated February 1, 1975; Series D Bonds (\$980,000) were dated February 1, 1976. After the sale of the proposed Series E Bonds, \$2,425,000 of the original authorization will remain unsold.

TERMS OF SALE

Bids will be received by the Board of Supervisors of Santa Clara County at or before 10:00 A.M., on Tuesday, March 29, 1977, at the Office of the Clerk of the Board of Supervisors, County Government Center, East Wing, Tenth Floor, 70 West Hedding Street, San Jose, California 95110. The Bonds will be sold pursuant to the terms of sale contained in the Official Notice of Sale dated March 1, 1977.

DESCRIPTION OF THE BONDS

The 1972 School Bonds, Series E, consist of \$680,000 aggregate principal amount dated April 1, 1977. The Bonds, all in the denomination of \$5,000, will mature serially in consecutive numerical order from lower to higher as set forth in the following maturity schedule.

Maturity Date	Principal Maturity
April 1	
1978	\$15,000
1979	20,000
1980	20,000
1981	20,000
1982	20,000
1983	25,000
1984	25,000
1985	25,000
1986	30,000
1987	30,000
1988	35,000
1989	35,000
1990	35,000
1991	40,000
1992	45,000
1993	45,000
1994	50,000
1995	50,000
1996	55,000
1997	60,000

REDEMPTION PROVISIONS

Bonds maturing on or prior to April 1, 1992 (\$420,000) are not subject to call and redemption prior to their fixed maturity dates. The Bonds maturing on or after April 1, 1993 (\$260,000) may be called before maturity and redeemed at the option of the Board of Trustees of the District on April 1, 1988, or on any interest payment date thereafter prior to maturity, at a redemption price for each redeemable bond equal to the principal amount thereof plus a premium equal to one-quarter of one percent ($\frac{1}{4}\%$) of said principal amount for each year or portion of a year between the redemption date and the maturity date. All or any of the Bonds subject to call may be called for redemption at any one time. If less than all of the Bonds are redeemed at any one time, such bonds shall be redeemed only in inverse order of maturity and by lot within a maturity.

INTEREST

Interest on the Bonds at a rate not to exceed seven percent (7%) per annum is payable for the first year on April 1, 1978 and semiannually thereafter on October 1, and April 1.

PAYMENT

Both principal and interest are payable in lawful money of the United States, at the option of the holder, at the principal office of the Bank of America National Trust and Savings Association in San Francisco, California, or at the principal office of Citibank, N.A., in New York, New York, or at Harris Trust and Savings Bank in Chicago, Illinois.

REGISTRATION

The Bonds will be coupon bonds, registrable only as to both principal and interest. Registered bonds are not convertible into coupon bonds.

LEGAL OPINION

All proceedings in connection with the issuance of the Bonds are subject to the approval of Orrick, Herrington, Rowley & Sutcliffe of San Francisco, California. The legal opinion of Orrick, Herrington, Rowley & Sutcliffe approving the validity of the Bonds will be supplied free of charge to the successful bidder. A copy of the legal opinion certified by the official in whose office the original is filed will be printed on each bond without charge to the successful bidder.

TAX EXEMPT STATUS

In the opinion of bond counsel, the interest on the Bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions; and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

LEGALITY FOR INVESTMENT

In the opinion of bond counsel, the Bonds are legal investments in California for all trust funds and for the funds of insurance companies, commercial and savings banks, trust companies, and for state school funds, and are eligible as security for deposits of public monies in California.

SECURITY

The Bonds are general obligations of the Evergreen School District, and the Board of Supervisors of Santa Clara County has the power and is obligated to levy ad valorem taxes for payment of the Bonds and the interest thereon upon all property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates), without limitation as to rate or amount.

NO LITIGATION

At the time of payment for and delivery of said Bonds, the successful bidder will be furnished with a certificate that there is no litigation pending affecting the validity of the Bonds.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in Serrano v. Priest. The California Supreme Court in a decision dated December 30, 1976, affirmed the judgment of the Superior Court in Los Angeles County for the plaintiffs. The decision requires that a new system for financing California primary and secondary schools must be implemented by September 3, 1980.

The Superior Court judgment as affirmed by the California Supreme Court contains a statement that the existing public school financing system shall continue to operate until an appropriate system of provisions, not in violation of the California Constitution's equal-protection-of-the-laws provisions, can be placed into effect.

PURPOSE OF ISSUE

The 1972 Series E School Bonds to be sold were authorized by more than two-thirds of the voters voting at an election held in the District on September 19, 1972 and will be issued and sold for the purpose of raising money for authorized school purposes.

ESTIMATED DEBT SERVICE

Table 1 presents a schedule of estimated annual debt service for the Bonds currently being offered for sale and debt service on prior District bonds. Estimated interest on the Bonds, as shown in Table 1, is at the maximum rate of seven percent.

TABLE 1
EVERGREEN SCHOOL DISTRICT
Estimated Maximum Annual Bond Service
\$680,000 1972 School Bonds, Series E

\$680,000 1972 School Bonds, Series E (1)							
Fiscal Year	Amount Outstanding July 1	Estimated Interest @ 7% Payable October 1	Estimated Interest @ 7% Payable April 1	Principal Maturing April 1	Estimated Annual Bond Service	Prior Bond Service(2)	Estimated Total Bond Service
1977/78	\$680,000	\$ ---	\$ 47,600	\$ 15,000	\$ 62,600	\$ 542,575	\$ 605,175
1978/79	665,000	23,275	23,275	20,000	66,550	524,571	591,121
1979/80	645,000	22,575	22,575	20,000	65,150	509,965	575,115
1980/81	625,000	21,875	21,875	20,000	63,750	494,647	558,397
1981/82	605,000	21,175	21,175	20,000	62,350	483,682	546,032
1982/83	585,000	20,475	20,475	25,000	65,950	468,412	534,362
1983/84	560,000	19,600	19,600	25,000	64,200	451,336	515,536
1984/85	535,000	18,725	18,725	25,000	62,450	432,713	495,163
1985/86	510,000	17,850	17,850	30,000	65,700	401,441	467,141
1986/87	480,000	16,800	16,800	30,000	63,600	392,366	455,966
1987/88	450,000	15,750	15,750	35,000	66,500	377,845	444,345
1988/89	415,000	14,525	14,525	35,000	64,050	363,178	427,228
1989/90	380,000	13,300	13,300	35,000	61,600	358,531	420,131
1990/91	345,000	12,075	12,075	40,000	64,150	338,195	402,345
1991/92	305,000	10,675	10,675	45,000	66,350	332,842	399,192
1992/93	260,000	9,100	9,100	45,000*	63,200	308,475	371,675
1993/94	215,000	7,525	7,525	50,000*	65,050	244,267	309,317
1994/95	165,000	5,775	5,775	50,000*	61,550	201,032	262,582
1995/96	115,000	4,025	4,025	55,000*	63,050	95,760	158,810
1996/97	60,000	2,100	2,100	60,000*	64,200	---	64,200
Total		\$277,200	\$324,800	\$680,000	\$1,282,000	\$7,321,833	\$8,603,833

*Callable on or after April 1, 1988.

- (1) Source: 1972 School Bond, Series E bond service estimation prepared by Stone & Youngberg Municipal Financing Consultants, Inc.
- (2) Source: Evergreen School District. Includes principal and interest on all prior general obligation bond service requirements.

THE IMPROVEMENT PROGRAM

The Evergreen School District was formed in 1860. The facilities of the District include eight elementary schools and two intermediate schools.

The 1972 Series E general obligation bonds currently being offered are a part of a \$6,000,000 authorization approved by more than two-thirds of the voters at an election held in the District on September 19, 1972, and will be issued and sold for the purposes of raising money for authorized school purposes. After the sale of the proposed 1972 School Bonds, Series E, \$2,425,000 of the original authorization will remain unsold.

Proceeds from the sale of the 1972 School Bonds, Series E (\$680,000 principal amount) along with funds from the sale of the 1972 School Bonds, Series D (\$980,000 principal amount sold on January 13, 1976) will be used to provide new facilities, improve existing facilities, and purchase a site. The District states the proceeds from the sale of Series D and Series E bonds, totaling \$1,660,000 are planned to be used as follows:

Ley Va Intermediate School additions including gymnasium, stage, locker facilities, kitchen and music room	\$ 1,100,000
Capital improvements to existing District facilities	260,000
Elementary school site purchase	<u>300,000</u>
Total	\$ 1,660,000

DISTRICT ORGANIZATION AND FINANCIAL DATA

ORGANIZATION

The Evergreen School District operates ten public schools in the southeastern sector of the City of San Jose. The District forms part of the San Jose Metropolitan Area (Santa Clara County), one of the fastest growing urban complexes in the United States.

The District has operated as a School District under the Laws of the State of California continuously since 1860. The District is governed by an independent Board of Education of five members who are elected at large for overlapping four-year terms. The Superintendent, who is appointed by the Board of Education, administers the District's affairs in accordance with policies of the Board of Education. The present superintendent, Mr. James F. Smith, has a total of 16 years experience in education, and has served the District for 14 years. He was appointed to his present post on February 6, 1976.

FACILITIES AND ATTENDANCE

District facilities include eight elementary schools and two intermediate schools. The District's staff includes 252 certificated, 205 classified and 19 administrative personnel. The 1976/77 budget exceeds \$8,600,000. The District's enrollment as of December 17, 1976 totaled 6,145.

Table 2 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance over the past six years. During the past five years, the District's assessed valuation increased approximately 60.4 percent and assessed valuations per unit of average daily attendance increased approximately 32.9 percent. Average daily attendance over the past five years has increased 20.7 percent from 5,074 in 1972/73 to an estimated 6,125 in 1976/77.

TABLE 2
EVERGREEN SCHOOL DISTRICT
Assessed Valuation and Average Daily Attendance

Fiscal Year	Assessed Valuation	Average Daily Attendance(1)	Assessed Valuation Per Unit Average Daily Attendance
1971/72	\$ 50,458,790	4,721	\$ 10,688
1972/73	68,388,690	5,074	13,478
1973/74	75,652,337	5,397	14,017
1974/75	85,589,694	5,675	15,082
1975/76	100,056,584	5,960	16,999
1976/77	109,703,517	6,125 (2)	17,859 (2)

(1) Includes summer enrollments and special classes.

(2) Estimated during the period September 1976 through June 1977.

Sources: Santa Clara County Auditor and Controller (Assessed Valuations), and Evergreen School District (Average Daily Attendance).

ASSESSED VALUATIONS

The Santa Clara County Assessor assesses property for District tax purposes. District taxes are collected by the County Treasurer at the same time and on the same tax rolls as are city, county and special district taxes. Taxes on secured property are payable in two installments on November 1 and February 1, and become delinquent on December 10 and April 10, respectively.

The State Board of Equalization reports the 1976/77 Santa Clara County valuations average 26.5 percent of full market value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under California State Law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Revenue estimated to be lost to each taxing entity as a result of these exemptions is reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for delinquencies. Table 3 presents the District's 1976/77 assessed valuation by tax roll, before and after these two exemptions.

TABLE 3
EVERGREEN SCHOOL DISTRICT
1976/77 Assessed Valuation

	Taxable Assessed Valuation	Homeowners Exemptions	Business Inventory Exemptions	Assessed Valuation for Revenue Purposes
Secured	\$84,401,777	\$10,375,050	\$ 477,330	\$ 95,254,157
Utility	4,230,130	---	---	4,230,130
Unsecured	8,144,530	---	2,074,700	10,219,230
Total	\$96,776,437	\$10,375,050	\$2,552,030	\$109,703,517

Source: Santa Clara County Auditor-Controller.

Table 4 shows a five-year history of the District's assessed valuation by tax roll prior to deductions for the two previously discussed special exemptions.

TABLE 4
EVERGREEN SCHOOL DISTRICT
Assessed Valuation by Tax Roll(1)

Tax Roll	1972/73	1973/74	1974/75	1975/76	1976/77
Secured	\$58,493,820	\$65,083,687	\$74,120,334	\$ 87,433,574	\$ 95,254,157
Utility	2,719,170	2,938,100	3,230,190	3,316,760	4,230,130
Unsecured	7,175,700	7,630,550	8,239,170	9,306,250	10,219,230
Total:	\$68,388,690	\$75,652,337	\$85,589,694	\$100,056,584	\$109,703,517

(1) Includes reimbursable exemptions.

Source: Santa Clara County Auditor-Controller.

REVENUE LIMITATIONS

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not impose a maximum property tax rate for the purpose of meeting general obligation bond service payments. The Board of Supervisors of Santa Clara County is required to levy ad valorem taxes without limit as to rate or amount to meet general obligation debt service of the District.

Allowable annual tax rates to be applied to a district's assessed valuation, subsequent to 1973/74, have been derived from a statutory formula which takes into account a number of factors including adjustments for inflation, limited mandatory contributions to the Teachers' Retirement System, basic state aid, state equalization aid, changes in average daily attendance, and prior years' tax collections. The tax required to raise the general purpose monies is the District's maximum general purpose tax rate (see Table 5). In June, 1975, the voters approved an increase of \$148 in revenue limit per unit of average daily attendance for a five-year period beginning in 1975/76.

The District's revenue limit per unit of average daily attendance and general purpose tax rate actually levied in 1975/76 were \$1,075.47 and \$3.385 per \$100 assessed valuation, respectively. In 1976/77, the revenue limit per unit of average daily attendance is \$1,183.24 with a general purpose tax rate of \$3.254 per \$100 of assessed valuation.

TAX RATES

The District's 1976/77 tax rate per \$100 assessed valuation is \$3.892, composed of \$3.254 for general non-categorical purposes, \$0.475 for bond interest and redemption, and \$0.163 for other categorical purposes. Table 5 shows a five-year history of the District's tax rates. During this period the District's tax rate per \$100 assessed valuation averaged \$3.457, ranging from a low of \$2.894 in 1974/75 to a high of \$3.987 in 1975/76.

TABLE 5
EVERGREEN SCHOOL DISTRICT
Property Tax Rates

Purpose	1972/73	1973/74	1974/75	1975/76	1976/77
General Non-Categorical	\$2.138	\$2.342	\$2.318	\$3.385	\$3.254
Bond Interest & Redemption	.459	.467	.467	.502	.475
Other Categorical	.996	.110	.109	.100	.163(1)
Total	\$3.593	\$2.919	\$2.894	\$3.987	\$3.892

(1) Community services, \$0.050; meals for needy, \$0.050; State School Building Fund loan repayment, \$0.063.
Source: District audit reports.

There are 42 tax code areas in the District. For the 1976/77 tax year, the base rate on all property ranges from \$10.639 to \$12.014 per \$100 assessed valuation in these code areas.

Tax Code Area 40-398 (1976/77 assessed valuation of \$47,370,691) represents 43.2 percent of the District's 1976/77 assessed valuation. Total tax rates per \$100 assessed valuation in this tax code area for the past five years are shown in Table 6.

TABLE 6
TAX CODE AREA 40-398
Property Tax Rates

Entity or Purpose	1972/73	1973/74	1974/75	1975/76	1976/77
Santa Clara County	\$ 2.626	\$ 2.626	\$ 2.626	\$ 2.596	\$ 2.471
City of San Jose	1.847	1.824	1.785	1.705	1.628
Evergreen School District	3.593	2.919	2.894	3.987	3.892
Other Educational Purposes	3.964	4.221	4.097	4.200	3.755
Special Districts	<u>.268</u>	<u>.267</u>	<u>.267</u>	<u>.267</u>	<u>.268</u>
Total, All Property	\$12.298	\$11.857	\$11.669	\$12.755	\$12.014
Soil Conservation(1)	.020	.020	.020	.020	.020
Water & Flood Control(2)	<u>.086</u>	<u>.086</u>	<u>.088</u>	<u>.088</u>	<u>.088</u>
Total, All Rates	\$12.404	\$11.963	\$11.777	\$12.863	\$12.122

(1) Land only.

(2) Land and Improvements only.

Source: Santa Clara County Director of Finance.

TAX LEVIES, COLLECTIONS AND DELINQUENCIES

Table 7 shows a five-year history of the District's secured tax levies, current collections, and the current rate of tax delinquency as reported by the County Auditor and Controller. Over the past five years, delinquencies have averaged 2.73 percent.

TABLE 7
EVERGREEN SCHOOL DISTRICT
Secured Tax Levies, Collections, and Delinquencies

Fiscal Year	Secured Tax Levy	Amount Collected as of June 30	Amount Delinquent as of June 30	Percent Delinquent
1971/72	\$ 904,467	\$ 867,815	\$36,652	4.05%
1972/73	1,246,754	1,212,537	34,217	2.74
1973/74	860,386 (1)	841,774	18,612	2.16
1974/75	959,483	933,076	26,407	2.75
1975/76	1,965,141	1,927,198	37,943	1.93

(1) State-reimbursed homeowners exemption increased from \$750 to \$1,750.

Source: Santa Clara County Department of Finance.

MAJOR TAXPAYERS

The principal source of property tax revenues in the District is the Eastridge Shopping Center (see "The District and Surrounding Area"). Commercial establishments at this location represent a total 1976/77 net assessed valuation of \$12,772,043, and 1976/77 taxes payable of \$1,763,626. Santa Clara County tax rolls list the following taxpayers at Eastridge with net assessed valuations in parentheses: Wells Fargo Bank Trustee (\$9,152,320), Sears Roebuck & Company (\$1,953,205), R. H. Macy & Company (\$1,612,833), and Lawyers Title Insurance Company (\$53,685).

Guy F. Atkinson Associates, developer of the planned community of The Villages (see section cited above) is a substantial taxpayer in the District. In view of the fact that this firm's local holdings consist of many parcels of varying market values, an exact total cannot be determined at this time. Guy F. Atkinson Company, the parent organization, is based in South San Francisco, San Mateo County, California. The firm has successfully completed such projects as the Oakland Coliseum complex in Alameda County, the Stanford Linear Accelerator, McNary Dam, Trinity Dam, and numerous major highway programs.

FUND BALANCES

The tabulation below presents the surplus balances in all District funds as of June 30 for the past five fiscal years.

EVERGREEN SCHOOL DISTRICT Fund Balances as of June 30

Fund	1972	1973	1974	1975	1976
General Fund	\$ 538,134	\$239,456	\$ 40,851	\$ 14,377	\$370,224
Bond Interest & Redemption Fund	164,361	230,705	253,454	289,167	322,151
State School Building Aid Fund	1,129,044	647,166	1,163,403	809,599	289,273
Building Fund	---	5,000	5,000	179,045	961,421
Cafeteria Fund	11,638	16,303	21,131	23,930	41,894
Student Body Fund	2,599	2,401	3,816	3,488	2,933

Source: District audit reports.

GENERAL FUND INCOME AND EXPENDITURES

Table 8 presents a five year summary of revenues and expenditures of the Evergreen School District as reported in annual audits and financial reports of the District. Also included in Table 8 is the annual expenditure budget and the annual variation of these budgets to actual expenditures.

TABLE 8
EVERGREEN SCHOOL DISTRICT
General Fund Revenues Expenditures and Fund Balances

	1971/72	1972/73	1973/74	1974/75(1)	1975/76(1)
Beginning Fund Balance July 1	\$ 826,089	\$ 538,134	\$ 239,456	\$ 40,851	\$ 14,377
REVENUE					
Property Taxes	\$1,357,367	\$1,888,214	\$ 1,548,185	\$1,689,013	\$2,786,448
Federal Sources	149,100	135,996	226,422	167,684	331,259
State Sources	1,745,254	1,934,467	3,165,521	3,683,740	4,293,987
County Sources					18,117
Interest	32,460	7,745	8,267	(16,278)	
Tuition	18,376	10,170	12,990	6,695	
Miscellaneous	7,483	6,491	8,018	18,742	8,462
Total Revenue	\$3,310,040	\$3,983,083	\$4,969,403	\$5,549,596	\$7,438,273
Total Income Available	\$4,136,129	\$4,521,217	\$5,208,859	\$5,590,447	\$7,452,650
EXPENDITURES					
Certificated Salaries				\$3,542,687	\$4,307,586
Classified Salaries				734,067	984,240
Employee Benefits				523,004	720,681
Books, Supplies, Equipment Replacement				317,972	444,332
Contracted Services				215,725	343,595
Administration	\$ 129,963	\$ 171,511	\$ 222,136		
Instruction	2,675,257	3,102,549	3,604,467		
Health Services	30,620	38,967	51,260		
Transportation	65,747	88,336	116,857		
Plant Operations	249,292	285,156	350,265		
Plant Maintenance	60,795	73,631	88,057		
Fixed Charges	236,975	383,900	469,144		
Food Services	1,198	1,984	950		
Community Services	28,809	28,288	37,320	38,262	53,400
Capital Outlay	81,565	63,597	155,091	114,048	145,981
Debt Service	29,897	35,552	44,611	53,029	51,041
Tuition	7,877	8,290	27,850	37,276	31,570
Total Expenditures	\$3,597,995	\$4,281,761	\$5,168,008	\$5,576,070	\$7,082,426
Budget Expenditures	4,160,020	4,378,532	5,255,433	5,509,764	7,560,945
Variance to Actual Expenditures	562,025	96,771	87,425	(66,306)	478,519
Ending Balance June 30	\$ 538,134	\$ 239,456	\$ 40,851	\$ 14,377	\$ 370,224

(1) Beginning in 1974/75 all school districts in the State of California were required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items cannot, therefore, be directly compared with years prior to 1974/75.

Source: District audit reports for individual years.

Table 9 presents a summary of the District's 1976/77 estimated income and expenditures as shown in the annual budget report. Unaudited 1975/76 actual income and expenditure data from the same source are also presented.

TABLE 9
EVERGREEN SCHOOL DISTRICT
General Fund 1976/77 Annual Budget

	1975/76 Actual(1)	1976/77 Budget
INCOME		
Adjusted Net Beginning Balance	\$ 20,589	\$ 331,298
Federal Income	245,375	226,701
State Income	4,309,530	4,502,979
County Income	17,989	-0-
Local Sources	2,779,224	3,682,726
Incoming Transfers	<u>8,795</u>	<u>26,500</u>
Total Net Available Income	\$7,381,502	\$8,770,204
EXPENDITURES		
Certificated Salaries	\$4,308,535	\$4,824,324
Classified Salaries	1,005,830	1,067,188
Employee Benefits	740,461	913,835
Books, Supplies, and Equipment		
Replacement	402,927	505,318
Contracted Services and Other		
Operating Expenses	362,686	423,860
Sites, Buildings, Media and		
New Equipment	125,170	116,031
State School Building Apportionment	51,041	67,473
Outgoing Tuition	33,872	3,000
Appropriation for Contingency		
and Other Outgo	<u>19,682</u>	<u>745,209</u>
Total Expenditures	\$7,050,204	\$8,666,238
Net Ending Balance	\$ 331,298	\$ 103,966
Total Expenditures and Ending Balance	\$7,381,502	\$8,770,204

Source: District Annual Financial and Budget Report (J-41) adopted by the Board of Trustees August 4, 1976 and approved by the County Superintendent of Schools August 13, 1976.

(1) Unaudited annual Financial and Budget report. See Table 8 for audited Revenues and Expenditures.

DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT

The District's general obligation bonding capacity is equal to 5 percent of its assessed valuation before the deduction of business inventories and homeowners exemptions, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment level with the statewide average ratio. The factor is used to offset differences in assessment levels for intercounty school districts and conforms assessment to the statewide average assessment level for all property. The District's bonding capacity as reported by the Santa Clara County Auditor-Controller is \$5,469,354. Upon delivery of the 1972 School Bonds, Series E bonds currently being offered, the District's general obligation debt will be \$5,469,000. Table 10 is a statement of direct and estimated overlapping bonded debt of the District as of March 29, 1977.

State School Building Aid repayable as of June 30, 1976 was \$9,213,095. This is the District's liability for loans received to June 30, 1976. Funds borrowed from the State school building fund together with interest are generally repayable to the State of California over a maximum period of thirty years. Interest on these loans has been computed to June 30, 1976 by the State Controller's Office.

EMPLOYER-EMPLOYEE RELATIONS

Certificated personnel of the District may be members of the Evergreen Teachers Association, an affiliate of the California Teachers Association. Classified personnel may join CSEA Chapter 432, an affiliate of the California School Employees Association. All negotiations for the 1976/77 year have been settled and complete.

Effective July 1, 1976 provisions of the Rodda Act codified as Chapter 961 of the 1975 Statutes affects all school districts in California. In case of labor disputes, local grievance procedures may be operative (if established by contract), or both parties may agree to submit grievances to final and binding arbitration pursuant to rules adopted by the Educational Employment Relations Board, which administers the Act. The Act's provisions with respect to the rights, obligations, and unfair practices applicable to management and labor became effective April 1, 1976.

PENSION PLANS

Certificated personnel are covered by the State Teachers Retirement System (STRS), while classified personnel are enrolled in the Public Employees Retirement System (PERS). Under the latter plan, part-time personnel must work more than 50 percent of the work week to become eligible for retirement benefits. In fiscal 1975/76 the District's contribution to STRS was \$232,498 on certified personnel salaries of \$4,307,586, and to the PERS plan \$71,075 on classified personnel salaries of \$984,240.

The State Teachers Retirement System. This System is administered by the State of California with contributions from both employees and employers. The State of California also contributes \$135,000,000 annually until the year 2002, subject to annual legislative appropriation. The present value of these future State contributions was carried at \$1,747,624,637 on June 30, 1975.

The actuarial method used is a projected benefit cost method where level normal rates sufficient to fund benefits over the entire service life of members are computed. The contribution rates are established to fund current service and interest on the unfunded liabilities not being amortized by the state contribution. The System's financial statements are prepared on the accrual basis.

As of June 30, 1975, the total unfunded liabilities of the State Teachers' Retirement System were: \$1,747,624,637 (State contribution which is being amortized by the \$135,000,000 annual contribution) and \$6,257,975,000 (member contribution on which interest is being paid). This unfunded total liability is \$8,005,599,637 (Annual Financial Report, State Teachers' Retirement System, 6/30/75). The State Teachers' Retirement System reports that further changes in the contribution rates are now under study as the result of a recent actuarial analysis, and that increased contributions by both employers and employees may be put into effect in the near future.

TABLE 10
EVERGREEN SCHOOL DISTRICT
STATEMENT OF ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT (1)

Estimated population	35,000	
1976/77 Assessed valuation	\$109,703,517	
Estimated real value	\$414,933,301	(2)

Public Entity	Percent Applicable	Estimated Debt Applicable March 29, 1977	
Santa Clara County	1.944%	\$ 967,626	
Santa Clara County Building Authorities	1.944	937,634	
Santa Clara County Flood Control and Water Conservation District Zone #W-1	2.385	946,726	
Santa Clara Valley Water Conservation District	1.935	15,054	
East Side Union High School District	11.507-12.783	3,398,863	
Evergreen School District	100.000	5,439,000	(3)
City of San Jose	4.696	2,947,867	
San Jose Building Authorities	4.696	591,931	
Mt. Pleasant School District	0.029	39	
GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$15,244,740	
Less: Flood Zone #W-1		961,780	
City of San Jose		985,643	
NET DIRECT AND OVERLAPPING BONDED DEBT		\$13,297,317	

	Ratio to		Per Capita
	Assessed Valuation	Real Value	
Assessed valuation	---	---	\$3,134
Direct debt	4.96%	1.31%	155
Gross direct and overlapping debt	13.90	3.67	435
Net direct and overlapping debt	12.12	3.21	380

(1) Compiled in cooperation with California Municipal Statistics, Inc.

(2) The State Board of Equalization reports that 1976/77 assessed valuations in Santa Clara County average 26.5% of full value. Public utility property is assessed by the State Board of Equalization at 25% of full value.

(3) Includes \$680,000 of 1972 School Bonds Series E, to be sold on March 29, 1977.

The State Teachers' Retirement System's actuary is Milliman and Robertson, Inc. of San Francisco California; auditor is Coopers and Lybrand, Sacramento, California.

State Public Employees' Retirement System. Approximately one-third of the members are state personnel and the balance are public agency personnel. As of June 30, 1975 the System provided retirement, death and survivor benefits under 901 contracts for about 1,900 public agency employees (cities, counties, school districts, and other public agencies) with 356,517 members.

The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Coopers and Lybrand, Sacramento, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being conducted no less than every four years. Benefit Technology (formerly Actuarial Systems, Inc.) of Santa Clara is the independent actuary for the System and may perform such an analysis in 1977.

Total assets of the System at June 30, 1975 were \$7,010,807,246, according to the annual audit. Of this amount, net assets of \$6,966,356,482 were available for benefits. Comparable figures for June 30, 1974 were \$6,233,968,821 and \$6,204,166,779, respectively. The unfunded obligation of the System was determined to be \$5,723,459,587 at June 30, 1975. This represents the present value of future state contributions and other member contributions. The total unfunded obligation does not take into account the provisions of Chapter 187, Statutes of 1975, which prescribed a new increased contribution rate by the state with respect to state miscellaneous members.

The amount of the respective unfunded liabilities will vary from time to time depending upon the actuarial assumptions utilized, rates of return and salary scales. The present System policy is designed to satisfy the unfunded obligation by the year 2000.

THE DISTRICT AND SURROUNDING AREA

The Evergreen School District provides public educational services from kindergarten through the eighth grade in a 32-square mile area in southeastern San Jose. The District encompasses certain county lands as well as those within the city limits. There has been considerable residential and commercial development in the western part of the District in recent years, while the eastern portion remains largely agricultural, with livestock raising and grape cultivation the principal activities.

The 1.5 million square foot Eastridge regional shopping center, opened in 1971, lies within the District. This facility accounts for over 13 percent of the District's total assessed valuation and generates annual retail sales in excess of \$100 million. Also located within the District are: Evergreen Valley College, a unit of the San Jose Community College District, opened in 1975; The Villages, a 1,210-acre planned residential community being developed by Guy F. Atkinson Associates; and Mirassou Vineyards, a producer of premium wines. This portion of the Official Statement describes the District, the City of San Jose, and the San Jose Metropolitan Area (Santa Clara County).

THE DISTRICT

The Evergreen planning area, a geographical unit employed by the San Jose City Planning Department for analyzing socio-economic trends in the city, comprises about 95 percent of the District's total acreage. Many of the remarks that follow relate to this planning area. That portion of the District outside the planning area consists primarily of a single elementary school and adjoining residential neighborhoods.

In the April 1970 U. S. Census, the Evergreen planning area contained 20,646 persons. It is estimated that approximately 35,000 persons currently reside within the boundaries of the Evergreen School District.

The Evergreen planning area is characterized by a high proportion of owner-occupied single-family homes. According to the City Planning Department, there were 9,137 housing units in this area at January 1, 1975, of which approximately 88 percent were single-family dwellings. More than 85 percent are owner-occupied, based on 1970 Census data. In 1970, median home value was \$22,198, and the median monthly rental was \$153. Home values have approximately doubled since the 1970 Federal Census.

Median family income for the Evergreen area in 1970 was a reported \$12,056, compared with a city-wide figure of \$11,884. Approximately 29 percent of the 6,478 employed persons were classified as white collar workers, and about 38 percent were classified as blue collar. Almost two-thirds of those 25 years of age and older had completed high school and/or one or more years of college.

Although over 80 percent of all lands in the Evergreen area are classified as agricultural, this aspect of the local economy is diminishing in importance as such lands are steadily converted to residential and commercial application. Over 2,000 acres of farm holdings were diverted to other uses during the seven-year interval 1967-1974, according to a special study by the City Planning Department. Changing land use patterns in the Evergreen area are graphically illustrated by the accompanying tabulation, which summarizes results of the special study. In the comparatively brief period of seven years, land committed to commercial use grew from approximately 25 acres in 1967 to nearly 160 acres in 1974. Residential acreage expanded more than 152 percent, while lands earmarked for public use increased by over 660 acres.

EVERGREEN PLANNING AREA
Land Use in Acres, 1967-74

Use	1967	1974	Percent Change
Residential	455.05	1,150.69	152.9
Industrial	52.77	60.12	13.9
Commercial	24.80	159.91	544.8
Public	235.48	898.52	281.6
Agriculture	17,989.17	15,979.65	(11.2)
Local Streets	326.92	525.70	60.8
Other	280.08	589.65	110.5
Total Acres	19,364.27	19,364.24	

Source: City of San Jose Planning Department.

Because of the effects of urban development on city services, the City of San Jose is now closely monitoring residential development over a large part of the city's southeastern sector, including the Evergreen planning area and the District. Building permits are granted only after a thorough evaluation of the effects of such construction upon water and sewerage services, traffic congestion, availability of schools, flood control, and other planning considerations.

Data prepared by the Evergreen School District staff indicates that there were 255 single-unit residences in various stages of construction within the District as of October 1, 1976. Developers active in the District include Citation Homes (formerly Singer Housing Co.), Shapell Industries, Blackwell Homes, Lincoln Properties, Standard Pacific Corporation, and Brandenburg, Staedler, and Moore. Shapell, which is currently building homes at two other locations in San Jose, offers homes priced from \$66,950 at Norwood, a residential development near the District offices in the north-central part of the District. Homes at this location are available with 3, 4, or 5 bedrooms, and in models up to 2,253 square feet.

As of January 1977, the City of San Jose has given final approval for 632 single housing units for construction within the District. Additionally, tentative map approval has been accorded 955 single units, and applications have been filed with the city for a further 1,782 single units.

The city has approved 107 mobile home units, which are now under construction in the District. Approval has also been granted for 672 units of one and two bedrooms in a multi-unit project. However, local opposition expressed at public hearings may result in delay or abandonment of the multiple units, which were marked for an area south of Eastridge Shopping Center.

The Villages, a planned residential community of 1,210 acres located south of Evergreen Valley College, accounts for a substantial share of the District's present and planned new construction. Developed by Guy F. Atkinson Associates of San Francisco, this community is oriented to families in the medium and upper income brackets, with at least one person 45 years of age. Now in its ninth year of development, The Villages will represent an estimated ultimate investment of \$150 million, according to the developer. Already completed and in use are 894 residential units, an 18-hole golf course, and supporting services. The developer plans additional development of 2,000 housing units and a separate commercial and professional area. Western Federal Savings and Loan Association recently opened a branch office at The Villages.

Public transportation in the District, including the Villages, is provided by the Santa Clara County Transit District.

A new building housing the Evergreen Library, a unit of the San Jose City Library System, was completed near the center of the District in 1976.

Lake Cunningham Regional Park is planned for a 300-acre site in the northern part of the District. To be constructed by the City of San Jose, this \$4,500,000 public recreational area will have facilities for boating, swimming, riding, picnic gatherings, and other outdoor activities. Site acquisition negotiations are now underway.

CITY OF SAN JOSE AND SAN JOSE METROPOLITAN AREA

The City of San Jose, county seat and largest city in Santa Clara County, is located at the southern extremity of San Francisco Bay, approximately 48 miles from San Francisco and 42 miles from Oakland. Population of the city exceeds 550,000, which is over two and one-half times the number of 1960 census residents. The city is the oldest in California, starting from a Spanish pueblo established November 29, 1777. San Jose is now the center of a large and growing industrial and scientific complex.

The San Jose Metropolitan Area includes all of Santa Clara County, by definition of the U. S. Department of Commerce. The city and county rank among the leading metropolitan areas throughout the nation in virtually all measurements of urban development. An important element in the growth of the area is the percentage of households having net cash incomes in excess of \$15,000, a reflection of the level of education and vocational skills.

Santa Clara County is one of nine counties bordering San Francisco Bay. Santa Clara County leads all San Francisco Bay Area counties in population, manufacturing employment, total effective buying income, assessed value of taxable property, retail sales, number of telephones, residential construction, and public school enrollment. It ranks among the top Bay Area counties in virtually every other indicator of economic activity as well. Although the county has many ties to the San Francisco-Oakland urban complex, it is rapidly developing a separate identity as a center for research, commerce, and industry.

POPULATION

The City of San Jose is the second largest city in the San Francisco Bay Area, the fourth most populous in California, and the 23rd in population nationwide. The city's population as of January, 1976 was estimated at 557,700 by the State Department of Finance, an increase of approximately 97,800, or 21 percent, over the April 1970 U. S. Census. For the same date, the county's population was estimated as 1,178,000, a gain of 11 percent over the 1970 census figure. The following tabulation highlights population growth in the city and county since 1940. A substantial share of the city's population increase since 1950 is accounted for by extensive annexation.

POPULATION DATA - U. S. CENSUS

Year	City of San Jose	Percent Change	San Jose Metropolitan Area(1)	Percent Change
1940	68,457	---	174,949	---
1950	95,280	39.2%	290,547	66.1%
1960	204,196	114.3	642,315	121.1
1970	459,913	125.2	1,065,313	65.9

(1) Santa Clara County.

Source: U. S. Bureau of the Census

EMPLOYMENT

The San Jose Labor Market, as defined by the State Department of Employment Development, includes all of Santa Clara County. This area is a highly developed industrial, research, and educational center of employment for a labor force that ranks well above the average in educational attainment and income. According to 1970 Census data, more than 19.5 percent of the adult population in the county hold college degrees.

Among the nine Bay Area counties, Santa Clara ranks first in manufacturing and retail trade employment, second in construction and services jobs, and third in wholesale trade and government workers. The average annual income of industrial employees is the highest in Northern California, due primarily to the educational level and degree of skills of workers in the sophisticated electronics and computer industries.

As of September 1976, total civilian employment in the San Jose Labor Market was 561,600, an increase of 20,400 over September 1975. The unemployment rate was 6.8%, compared with 8.3% twelve months previously.

Table 11 sets forth the San Jose Labor Market growth in employment opportunities since 1971. Between 1971 and 1975 the number of nonagricultural wage and salary workers grew 24 percent, from 378,900 to 469,100. Above average rates of job growth were experienced in durable goods manufacturing, the finance group of industries, personal services, and state and local government, with durables manufacturing showing the highest rate of increase. In 1975, nearly one-third of all nonfarm wage and salary employees were engaged in manufacturing. The next largest sources of jobs were services and trade.

Agriculture has steadily declined in recent years as a source of employment. In 1950 about 15 percent of the total work force in the county were classified as farm workers; by 1970 agriculture's share had declined to two percent. At September 1976 total farm employment was estimated at 8,500 by state labor analysts.

There are 99 businesses in Metropolitan San Jose employing 500 or more persons, according to State Unemployment Insurance reports. Over half of these employers are engaged in manufacturing. A list of industrial firms with 500 or more employees appears in Table 12. The principal industrial employers are described in the following section entitled "Industry".

Non-manufacturing and governmental organizations in the San Jose Metropolitan Area employing more than 1,000 persons include the City of San Jose, Santa Clara County, Stanford University, the Stanford Medical Center, Pacific Gas and Electric Co., Pacific Telephone Co., San Jose State University, Cupertino Elementary School District, Palo Alto Unified School District, the U. S. Naval Air Station at Moffett Field, and NASA's Ames Research Center at Mountain View.

TABLE 11
SAN JOSE LABOR MARKET
Nonagricultural Wage and Salary Workers

Industry	Annual Averages			September 1976
	1971	1973	1975	
Construction	18,500	20,300	17,900	19,600
Manufacturing-Durables	92,800	118,500	126,100	135,600
Manufacturing-Nondurables	24,600	25,600	25,500	33,200
Transportation, Utilities	17,500	18,700	18,800	18,700
Trade-Wholesale	15,500	18,400	19,900	20,900
Trade-Retail	58,700	66,500	71,300	76,500
Finance, Insurance, Real Estate	14,000	17,100	18,200	18,900
Services	75,600	89,800	96,500	103,300
Government-Federal	9,400	9,300	9,400	9,400
Government-State & Local	52,200	58,000	65,400	66,500
Other	100	100	100	100
Total	378,900	442,300	469,100	502,700

Source: California Department of Employment Development.

INDUSTRY

Santa Clara County ranks second only to Los Angeles County in total manufacturing wages and salaries paid in California, based on payroll reports under State unemployment and disability programs. Industrial payrolls exceed those of any county in Northern California and are appreciably ahead of Orange County, the third ranking area. Manufacturing firms account for approximately 40 percent of all wages and salaries paid by employers in the San Jose Metropolitan Area, and represent nearly a third of all covered employment. Industrial payrolls in the county exceed \$2.1 billion annually.

There are more than 1,800 manufacturing firms in Metropolitan San Jose. Manufacturing activities cover a wide range of products, from agricultural implements to sophisticated electronics equipment. Although Santa Clara County is still one of the nation's major food processing centers, the agricultural sector has lessened in relative economic importance, as previously noted. Nevertheless, food processors and packers in the county dispensed payrolls approximating \$120 million in 1975, based on wages subject to income tax and disability withholding.

Some of the nationally-known firms which make up the general base of industry in Metropolitan San Jose are Ford Motor Company, Kaiser Cement & Gypsum Corp., Permanente, Owens-Corning Fiberglas Corp., and Kaiser Aluminum and Chemical Corporation. In fabricated metals, there are such firms as Continental Can Co., Inc., Pittsburgh-Des Moines Steel Co., Owens-Illinois, and San Jose Steel Company.

The largest general category of manufacturing is the aerospace industry, consisting of three basic industries: electrical equipment, instruments, and ordnance. Aerospace has been by far the fastest growing of all manufacturing categories in the county. Highly developed research facilities at Stanford University, the Stanford Linear Accelerator Center, and the Ames Research Center (NASA) have fostered this growth.

Within the aerospace category, electrical equipment and ordnance are the major employers. There are approximately 300 firms in the electrical equipment field in the area with employment ranging from one to over 5,000 employees. Some of the larger firms in this category are Fairchild Camera and Instrument Company, General Electric Company, Hewlett-Packard Company, Raytheon, Signetics, Philco-Ford, Sylvania, Teledyne, Varian Associates, Western Electric, and Westinghouse Electric Corp. The two major firms in the field of ordnance are Lockheed Missiles and Space Company and FMC Ordnance Group (Food Machinery and Chemical Corporation), with combined employment of approximately 19,000 persons. The importance of the aerospace industry is illustrated in the summary below. Total employment in September 1976 was 94,000, or over 55 percent of the entire manufacturing employment of 168,000 for the month reported by state labor analysts.

METROPOLITAN SAN JOSE
Estimated Number of Workers in Aerospace

Industry	Annual Averages		September
	1967	1970	1976
Electrical Equipment	40,000	46,400	69,800
Ordnance	28,700	20,100	20,500
Instruments	1,800	2,200	3,700
Total	70,500	68,700	94,000

Although the aerospace industry is an important segment of the local economy, it is balanced by a spectrum of other manufacturing categories. Growth in nonelectrical machinery, instruments, printing and publishing, and transportation equipment has been substantial. while food-related manufacturing has declined as a percent of total manufacturing. In the non-electrical machinery industry, some of the larger firms in Metropolitan San Jose are International Business Machines, FMC (Canning Machinery Division and John Bean Division), Vidar Corporation, and United Centrifugal Pumps. The larger firms in the professional, scientific, and controlling instruments category are Beckman Instruments and Spectra Electronics, Inc.

The City of San Jose has 9,400 acres developed, zoned, or planned for light and heavy industry, including about 5,500 acres in industrial parks or districts. The city has a Foreign Trade Zone in a 375-acre industrial park. The Zone provides custom duty savings and cash flow benefits to firms engaged in import and export activities.

TABLE 12
SAN JOSE METROPOLITAN AREA
Industrial Firms Employing 500 or More Persons

Company	Product or Service
Over 2,000 Employees:	
Fairchild Camera & Instruments, Mt. View	Electronic products
Ford Motor Company, Milpitas	Auto, truck assembly
FMC Corporation, San Jose	Trucks, armored cars
Hewlett-Packard Co., Palo Alto	Measuring instruments and equipment
International Business Machines, San Jose	Data processing systems
Lockheed Missiles & Space Co., Sunnyvale	Missiles and space systems
Pacific Telephone Co., San Jose	Utility
Philco Ford Corp., Palo Alto	Aerospace research
Varian Associates, Palo Alto	Electronic equipment
Westinghouse Electric Corp., Sunnyvale	Marine specialty products
1,001-2,000 Employees:	
General Electric Co., San Jose	Nuclear power products
Libby, McNeil & Libby	Food processing
Memorex Corp., Santa Clara	Magnetic recording tape
National Semiconductor Corp., Santa Clara	Electronic circuits
Northwest Publications, Inc., San Jose	Newspaper publishing
Pacific Gas & Electric Co., San Jose	Utility
Raytheon Co., Mt. View	Semiconductor components
Signetics Corp., Sunnyvale	Electronic components
United Technologies Corp., Sunnyvale	Rocket engines, missile equipment
Western Electric	Communication systems
501-1,000 Employees:	
American Micro-Systems, Inc., Santa Clara	Electronic components
Arcata Graphics, Inc., San Jose	Publishing and commercial printing
Beckman Instruments, Inc., Palo Alto	Precision instruments
California Cannery & Growers, San Jose	Canned fruits and vegetables
Del Monte Corp., San Jose	Canned fruits and vegetables
ESL	Electronic systems, R & D
Gilroy Foods, Inc., Gilroy	Dehydrated onions, garlic
Hewlett-Packard Co., Cupertino	Mini-computer system
Hewlett-Packard Co., Santa Clara	Laboratory instruments
Information Storage Systems, Cupertino	Electronic computer equipment
ITEK Corporation, Sunnyvale	Electronic components
Kaiser Cement & Gypsum Corp., Permanente	Cement
Litronix, Inc., Cupertino	Electronic semi-conductors
Owens-Corning Fiberglas Corp., Cupertino	Fiberglas insulation
Sun Garden Packing Co., San Jose	Canned fruits and vegetables
Syntex Laboratories, Inc., Palo Alto	Pharmaceuticals
Vidar Corp., Mt. View	Electronic equipment
Watkins-Johnson Co., Palo Alto	Electronic components, accessories

Source: San Jose Chamber of Commerce: prepared by City of San Jose,
Office of Economic Development.

INCOME AND COMMERCIAL ACTIVITY

Santa Clara County ranks fifth among California counties in total personal income. Sales Management Magazine's 1976 Survey of Buying Power reports Santa Clara County in first place among Bay Area counties in net effective buying income, estimating the figure at over \$7.5 billion for year-end 1975. This is \$6,396 per capita compared with a state-wide figure of \$5,579. Median household income of \$16,804 is 27 percent above the median household income for the state. An estimated 57.8 percent of all households have incomes exceeding \$15,000, according to the survey.

There are 90 banking offices in San Jose, of which 26 are operated by the Bank of America and 14 by the First National Bank of San Jose. The latter was established in 1874. Within the city limits are 32 savings and loan branch offices.

Bank debits in the City of San Jose for the year 1976 totalled more than \$32.7 billion, a gain of more than 6 percent over 1975. Bank deposits in the city as of December 31, 1976 were reported to be \$536,282,000 by the Federal Reserve Bank of San Francisco, compared with \$456,976,000 for the same date in 1975.

There are approximately 150 shopping centers in Metropolitan San Jose. Eastridge, a giant retail shopping complex located within the District, features Macy's, Sears, Liberty House and J. C. Penney Co. as principal tenants. This ultramodern commercial development, which has an ice arena in addition to numerous specialty shops and restaurants, covers more than 1.5 million square feet, making it the largest shopping center in Santa Clara County. Valley Fair, in the western part of the city, occupies 32.8 acres and has almost 600,000 square feet of store area. Among the tenants are such well-known retailers as Macy's, Joseph Magnin, Pay Less Drug Stores, F. W. Woolworth, and others.

The City of San Jose generated taxable sales of over \$1.5 billion in 1975, reflecting the high purchasing power of its residents. San Jose accounts for about 39 percent of total taxable transactions in Santa Clara County, as shown in Table 13. A summary of 1975 taxable sales in the city by type of business is presented in Table 14.

TABLE 13
CITY OF SAN JOSE
METROPOLITAN SAN JOSE
Taxable Transactions 1971-76

Year	City of San Jose	Metropolitan San Jose
1971	\$ 917,485,000	\$2,423,458,000
1972(1)	1,084,303,000	2,852,047,000
1973	1,312,823,000	3,378,642,000
1974	1,467,337,000	3,781,550,000
1975	1,572,443,000	4,061,592,000
1976(6 mos.)	833,179,000	2,175,775,000

(1) Sales of gasoline for highway use became taxable July 1, 1972.
Source: State Board of Equalization.

TABLE 14
CITY OF SAN JOSE
Taxable Transactions 1975

Type of Outlet	No. of Permits	Taxable Transactions(1)
Apparel stores	279	\$ 74,481,000
General merchandise	97	247,619,000
Drug stores	95	25,358,000
Food stores	344	118,186,000
Packaged liquor stores	122	33,271,000
Eating and drinking places	785	127,043,000
Home furnishings, appliances	217	51,907,000
Building materials, implements	136	81,745,000
Auto dealers, auto supplies	226	190,494,000
Service stations	366	134,014,000
Other retail stores	810	143,135,000
Total retail	3,477	\$1,227,253,000
All other outlets	6,316	345,190,000
Total, All Outlets	9,793	\$1,572,443,000

(1) Excludes food for home consumption, prescription drugs, and other items. Gasoline for highway use became taxable July 1, 1972.
Source: State Board of Equalization.

CONSTRUCTION

In 1976 Santa Clara County was fourth among California counties in total valuation of building permits, exceeding \$745 million for the year. It was far ahead of all other Northern California counties in all major categories of construction. The City of San Jose was fourth in total building permit valuation among all California cities for 1975. It was third in the number of dwelling units authorized. Total valuation of building permits for the city and the county by individual years since 1971 is presented in Table 15.

Over the 1971-76 period shown in Table 15, the City of San Jose reported nearly 52 percent of aggregate residential permit values in the county, and over 33 percent of total non-residential permit valuation. San Jose had approximately 63 percent of all permits for single family homes, and more than 44 percent of multi-family units. In both city and county, total permit valuations for 1976 were at record levels.

As a result of the absorption of suitable industrial land in the northern part of the county, it is expected that San Jose will attract an increasing share of new industrial construction in the future.

TABLE 15
VALUE OF BUILDING PERMITS
(Dollars in Thousands)

	1971	1972	1973	1974	1975	1976
<u>Santa Clara County</u>						
Residential	\$319,367	\$288,244	\$274,413	\$256,271	\$269,906	\$497,448
Non-residential	138,601	178,256	225,237	243,784	228,210	248,069
Total Valuation	\$457,968	\$466,500	\$499,650	\$500,055	\$498,116	\$745,517
Number of dwelling units:						
Single-family	9,302	9,266	7,405	5,823	5,700	9,318
Multi-family	10,068	5,630	5,499	3,173	2,254	3,833
Total Units	19,370	14,896	12,904	8,996	7,954	13,151
<u>City-of-San-Jose</u>						
Residential	\$175,403	\$150,424	\$144,942	\$137,900	\$131,670	\$241,947
Non-residential	50,011	56,484	66,972	77,640	93,574	66,031
Total Valuation	\$225,414	\$206,908	\$211,914	\$215,540	\$225,244	\$307,978
Number of dwelling units:						
Single-family	5,977	5,737	4,633	3,883	3,621	5,576
Multi-family	4,464	2,277	2,799	1,172	845	1,779
Total Units	10,441	8,014	7,432	5,055	4,466	7,355

Source: "California Construction Trends", Security Pacific Bank.

AGRICULTURE

Although population growth, industrialization and urbanization have caused a decline of agricultural activities and farm employment in the county, farm production has remained surprisingly high. The County Agricultural Commissioner reports that in 1975 the gross value of all crops was \$103,094,800, about 7 percent higher than 1974. Nursery stock and cut flower production has increased sharply in recent years, offsetting the steady drop in production of fruits and nuts. The cultivation of vegetables has also shown considerable strength in the past three years.

UTILITIES

The City of San Jose is served by the following utilities: Pacific Gas and Electric Company, Pacific Telephone Company, and San Jose Water Works.

TRANSPORTATION

Two major railroads, a modern system of highways and freeways and a growing airport complex have contributed to the industrial, commercial and residential expansion of Metropolitan San Jose. This highly developed transportation network provides ready access to national and international markets.

Southern Pacific and Western Pacific provide main line rail service to the area. Both railroads serve the east shore of San Francisco Bay, while Southern Pacific provides freight and commuter service north on the Peninsula to San Francisco. These two rail lines bisect the industrial areas of San Jose. Within the city, there are central switching yards with ramps for piggyback loading and cranes for handling of containerized freight. The two railroads have reciprocal switching agreements throughout the city.

San Jose Municipal Airport is one of three major airports in the San Francisco Bay Area, and ranks among the nation's busiest. The airport serves the most heavily traveled air corridor in the world, the Southern California/Bay Area Corridor. Over two million passengers use the terminal annually. Airlines serving San Jose include PSA, Hughes Airwest, Continental, Western, Swift-Aire, Air California, United, Valley Airlines, and American. In addition, Delta, TWA, and National maintain ticket offices at the terminal. Over 150 daily flights are scheduled.

Approximately 65 interstate trucking firms and over 400 local and regional contract carriers serve Metropolitan San Jose. Motor passenger and parcel service are made available by Greyhound Bus Lines and Peerless Stages with overnight deliveries to all major cities in California. Local bus transportation is offered by Santa Clara County Transit District.

Deepwater transportation is available at the Port of Redwood City, 25 miles north. Ports at San Francisco and Oakland are well-equipped to handle all types of coastal and overseas cargo. All three ports are conveniently accessible by freeway from San Jose.

Interstate 280, Interstate 680, US 101, and State Route 17 all intersect in downtown San Jose, providing an efficient highway grid to serve the city and surrounding area.

EDUCATION

The Evergreen School District forms part of the East Side Union High School District, one of twelve high school districts in Santa Clara County. A five-year history of enrollments reported by school districts serving the Evergreen area appears below.

SCHOOL ENROLLMENT HISTORY

School Year	Evergreen School District(1)	East Side Union High School District(2)
1972	4,751	14,249
1973	5,007	15,431
1974	5,344	16,410
1975	5,650	17,566
1976	5,865	18,672

(1) Grades K through 8.

(2) Grades 9 through 12.

Source: County Planning Department.

Public education beyond high school is available at the locally-supported and administered community colleges. Within the San Jose city limits are San Jose City College, with total enrollment of 14,233 students, and the new Evergreen Valley College, located in the eastern part of the District. In neighboring communities are De Anza College, Foothill College and West Valley College. The latter presently has campuses at Saratoga and Campbell and is constructing a third (Mission) in Santa Clara. All these campuses are within convenient driving distance of the District. Total enrollment in the above community colleges exceeds 69,000 students.

Metropolitan San Jose is the home of the oldest institution of higher education in the West, the University of Santa Clara, which traces its founding to 1851. It is also the home of the oldest public educational institution in California, San Jose State University, which opened in 1857. Stanford University at Palo Alto dates from 1885. Located within a 50-mile radius of San Jose are the University of California at Berkeley, University of California at Santa Cruz, St. Mary's, the University of San Francisco, and the San Francisco and Hayward campuses of the State University and College System.

COMMUNITY FACILITIES

The City of San Jose has six general hospitals with a combined capacity of 2,384 beds. Stanford Medical Center in Palo Alto has 600 beds and unexcelled equipment for major surgery, including heart transplants. There are 50 convalescent hospitals and nursing homes in Metropolitan San Jose, many with 50-100 beds and two with more than 100 beds. Medical and health services are provided in San Jose by 613 physicians and surgeons, 352 dentists, 51 optometrists, and 67 chiropractors.

In 1970, a \$4 million main library facility was opened in downtown San Jose. The library system operates 12 branch libraries and a bookmobile. San Jose's public library circulates three million books annually.

San Jose has two daily newspapers, nine radio stations, three TV channels, and a TV cable system. San Francisco-Oakland metropolitan newspapers are available daily.

San Jose Municipal Stadium, occupying a 23-acre downtown site, hosts professional baseball. Spartan Stadium seats 18,300 for San Jose State University games and is the home stadium of the Earthquakes, San Jose's major league professional soccer team.

The San Jose Center for the Performing Arts (formerly the Community Theater) is located in the center of the city, and forms the nucleus of a growing cultural complex. This modernistic structure seats 2,700 people and is considered one of the finest theaters in the country.

Civic Auditorium, located near the Performing Arts Center, seats 3,500 and is utilized for conventions and social events. Presently under construction near the Civic Auditorium is the San Jose Convention and Exhibit Center.

The San Jose Symphony is one of the oldest established symphony orchestras in the nation and traces its roots back over a century. It has been accorded national recognition as a Metropolitan Orchestra by the American Symphony Orchestra League. Also adding to the cultural life of the city are the San Jose Museum of Art and the Egyptian Museum, which also has a Science Museum and Planetarium.

Among the unique cultural advantages of the area are the concerts at Paul Masson Vineyards in neighboring Saratoga. Stanford University offers performances by the world's leading artists. The San Francisco Symphony Orchestra performs in a regular season series at Flint Center in Cupertino, supplementing the concert season of the San Jose Symphony.

Recreational opportunities in and near the City of San Jose are diverse and attractive. The city maintains 170 school playgrounds and 70 public parks, including 776-acre Alum Rock Park, the Municipal Rose Gardens and the Japanese Friendship Gardens. Commercial amusement centers include the Winchester Mystery House, Frontier Village, and 50 theaters. Other attractions are the Santa Clara County Fairgrounds, Alviso Yacht Harbor, 11 eighteen-hole golf courses, and 5 nine-hole golf courses. Great America, an outdoor amusement park located just north of San Jose on US 101, features a variety of rides, shows, restaurants, gift and craft shops. Adjoining the park is a recently completed 300-room Marriott Inn.

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